

	<p>Flu Shot Reminder</p> <p>Flu season is here! Medicare patients give many reasons for not getting their flu shot, including—"It causes the flu; I don't need it; it has side effects; it's not effective; I didn't think about it; I don't like needles!" The fact is that out of the average 36,000 people in the U.S. who die each year from influenza and complications of the virus, greater than 90 percent of deaths occur in persons 65 years of age and older. You can help your Medicare patients overcome these odds and their personal barriers through patient education. Talk to your Medicare patients about the importance of getting their annual flu shot--and don't forget to immunize yourself and your staff. Protect yourself, your patients, and your family and friends. Get Your Flu Shot. Remember - Influenza vaccination <u>is</u> a covered Part B benefit. Note that influenza vaccine is NOT a Part D covered drug. For more information about Medicare's coverage of adult immunizations and educational resources, go to CMS's website: http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0667.pdf</p>
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Related Change Request (CR) #:5358

Related CR Release Date: November 3, 2006

Effective Date: January 1, 2007

Related CR Transmittal #: R1102CP

Implementation Date: January 2, 2007

Ambulance Inflation Factor for CY 2007

Provider Types Affected

Providers and suppliers of ambulance services billing Medicare carriers, fiscal intermediaries (FIs), or Part A/B Medicare Administrative Contractors (A/B MACs) for those services.

Provider Action Needed

This article is for your information only. It provides the Ambulance Inflation Factor (AIF) for Calendar Year (CY) 2007. The AIF for CY 2007 is 4.3%.

Background

Section 1834(l)(3)(B) of the Social Security Act (SSA) provides the basis for updating the payment limits that carriers, FIs, and A/B MACs use to determine how much to pay you for the claims that you submit for ambulance services. The national fee schedule for ambulance services has been phased in over a five-year transition period beginning April 1, 2002. The Ambulance Inflation Factor (AIF) updates payments annually and is equal to the percentage increase in the

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consumer price index for all urban consumers (CPI-U) for the 12-month period ending with June of the previous year.

The AIF for calendar year (CY) 2007 will be 4.3%. The following table displays the AIF for CY 2007 and for the previous 4 years.

Ambulance Inflation Factor by CY	
2007	4.3%
2006	2.5%
2005	3.3%
2004	2.1%
2003	1.1%

Additionally, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) established that the ground ambulance base rate (for services furnished during the period July 1, 2004 through December 31, 2009) will have a baseline “floor” amount.

Payment will not be less than this “floor,” which is determined by establishing nine fee schedules (one for each of the nine census divisions) and then using the same methodology that was used to establish the national fee schedule to calculate a regional conversion factor and a regional mileage payment.

Some key issues related to the AIF include:

National or Regional Fee Schedules

Either the national fee schedule or regional fee schedule applies for all providers and suppliers in the census division, depending on the payment amount that the regional methodology yields. The national fee schedule amount applies when the regional fee schedule methodology results in an amount (for a given census division) that is lower than the national ground base rate. Conversely, the regional fee schedule applies when its methodology results in an amount (for the census division) that is greater than the national ground base rate. When the regional fee schedule is used, that census division’s fee schedule portion of the base rate is equal to a blend of the national rate and the regional rate.

Payments Based on Blended Methodology

During the five-year transition period, your payments are based on a blended methodology. For CY 2007, this blend will be 20% regional ground base rate and 80% national ground base rate.

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Before January 1, 2007, for each ambulance provider or supplier, the AIF was applied to both the fee schedule portion of the blended payment amount (both national and regional) and to the reasonable cost/charge portion. Then, these two amounts were added together to determine each provider or supplier's total payment amount. As of January 1, 2007, the total payment amount for air ambulance providers and suppliers continues to be based on 100% of the national ambulance fee schedule, while the total payment amount for ground ambulance providers and suppliers will be based on either 100% of the national ambulance fee schedule or 80% of the national ambulance fee schedule and 20% of the regional ambulance fee schedule.

Part B Coinsurance and Deductible Requirements

Part B coinsurance and deductible requirements apply.

Additional Information

You can find more information about the ambulance inflation factor by going to CR 5358, located at

<http://www.cms.hhs.gov/Transmittals/downloads/R1102CP.pdf> on the CMS website. There you will find updated Medicare Claims Processing Manual (100-04), Chapter 15 (Ambulance), Section 20.6.1 (Ambulance Inflation Factor (AIF)) as an attachment to that CR.

If you have any questions, please contact your carrier, FI, or A/B MAC at their toll-free number, which may be found at

<http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip>.

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